

FISCAL IMPACT STATEMENT ON BILL NO. **H.3499**

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TO:	The Honorable Ronald P. Townsend, Chairperson, House Education and Public Works Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Harry Bell		
DATE:	February 15, 2005	SBD:	2005225

AUTHOR:	Representative Harrell	PRIMARY CODE CITE:	59-10-10
SUBJECT:	Students Health and Fitness Act of 2005		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

BILL SUMMARY:

House Bill 3499 would enact the Students Health and Fitness Act of 2005. Among other things, the Bill would require students in kindergarten through fifth grade to participate in one hundred fifty minutes per week of instructional physical education by 2007-08. Each elementary school would designate a physical education teacher to be the Physical Education Director for the school, and an overall physical education school effectiveness score must be reported annually on the school report card.

EXPLANATION OF IMPACT:

There is a fiscal impact associated with numerous sections of this Bill. A synopsis of the impact associated with each section is summarized as follows.

59-10-10 – Requiring students in kindergarten through fifth grade to participate in instructional physical education by a certified physical education specialist would result the hiring of additional staff. The Bill requires a minimum of 75 minutes per week in FY 2005-06, 120 minutes beginning in FY 2006-07, and 150 minutes beginning in FY 2007-08. Average salary and fringe for a physical education specialist is estimated at \$50,800. The State Department of Education (SDE) anticipates the need for an additional 100 physical education specialist the first year, 500 the second year and 700 at full implementation. Actual staffing needs could be more or less depending on local scheduling patterns of Physical Education classes.

59-10-20 – SDE estimates assessment cost at \$400,000 annually to determine the degree to which students meet the State physical education standards and report those scores on the annual school reports card. Funding would allow SDE to assess one-third of schools with grades 2, 5, 8 and a high school each year.

59-10-30 – SDE estimates the need for \$64,812 in order to provide professional development assistance to those schools that do not meet the requirements of 59-10-10. This cost is associated with conducting training sessions for approximately 300 teachers annually. The estimate includes the cost of travel, supplies, materials, consultant fees, and substitute teacher pay.

59-10-40 – Providing training and resource a packet to each elementary physical education activity coordinator is estimated to cost \$10,230. This would also cover the cost of a one day training session for the coordinators. This would be a one time non-recurring cost.

59-10-340 & 350 – Existing federal funds in the amount of \$300,000 can be used to comply with the various requirements of these sections. Requirements include providing each school district with a coordinated school health model, notifying each district of the availability of professional development opportunities, and assisting with the development and maintenance of a Coordinate School Health Advisory plan for each school district. SDE indicates these federal funds are secure through 2008.

59-10-360 – Conducting a pilot health education assessment in FY 2005-06 is estimated at \$400,000. Full implementation costs are estimated at \$1,600,000 maximum annually. In addition, SDE estimates the need for one project manager at \$88,000 to implement the requirements of this section. Membership dues for those entities that provide continuous updated nutrition and other information are estimated at \$12,000 annually. Therefore, the total associated with this section is estimated at \$500,000 the first year and \$1,700,000 annually thereafter.

Recapitulation

The impact on the General Fund of the State is at the General Assembly's discretion. This initiative could be funded with State General Funds, Education Improvement Act funds and/or a combination of these funds and local school district funds. The table below assumes the State would cover the cost for these specifically identified sections.

Implementation Estimate			
<u>Section</u>	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>
59-10-10	\$5,080,000	\$25,400,000	\$35,560,000
59-10-20	\$400,000	\$400,000	\$400,000
59-10-30	\$64,812	\$64,812	\$64,812
59-10-40	\$10,230	\$0	\$0
59-10-340	\$0	\$0	\$0
59-10-350	\$0	\$0	\$0
59-10-360	<u>\$500,000</u>	<u>\$1,700,000</u>	<u>\$1,700,000</u>
Total	\$6,055,042	\$27,564,812	\$37,724,812
Annual Increase		\$21,509,770	\$10,160,000

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

Schools and School Districts may incur additional cost associated with facility construction, renovations, equipment, and stipends.

Approved by:



Don Addy
Assistant Director, Office of State Budget